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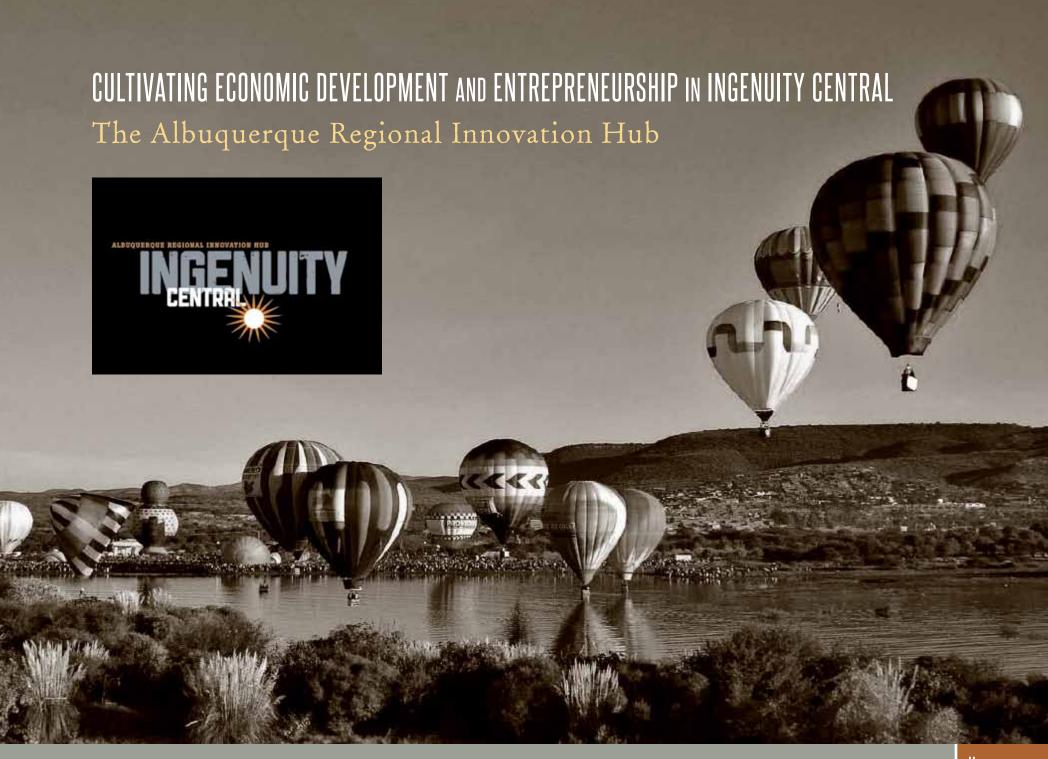
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### Mid-Region New Mexico Council of Governments

809 Copper Avenue NW Albuquerque, NM 87102

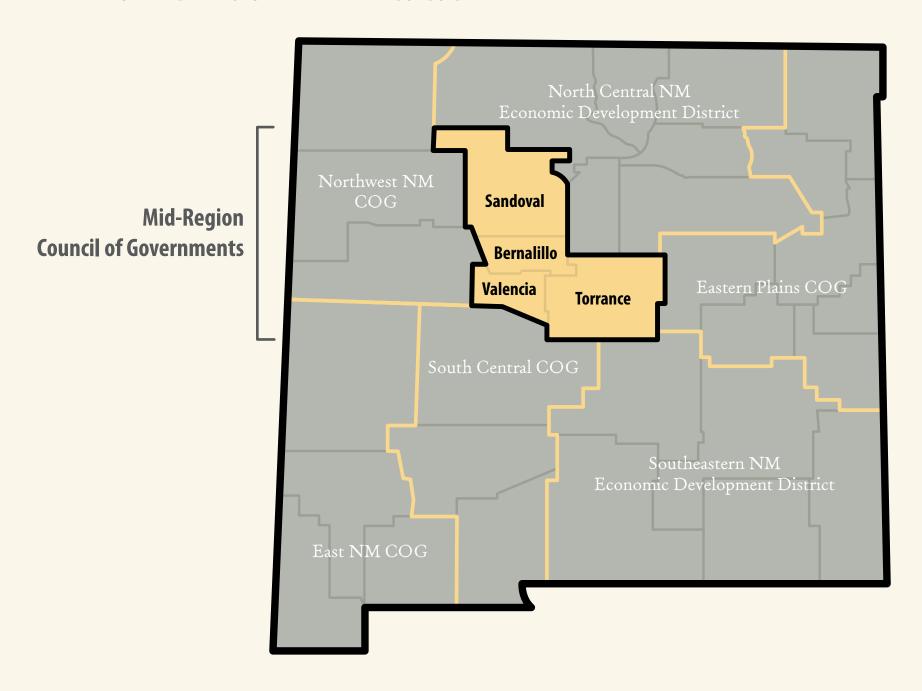
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# Mid-Region COMPREHENSIVE ECONOMIC DEVELOPMENT



### MAP OF MID-REGION NEW MEXICO COG



## INTRODUCTION

The Comprehensive Economic Development Strategy (CEDS) is a blueprint for growing a regional, local, collaborative economy. It is a living document, adjusted annually and reevaluated fully every five years. The process builds leadership, enhances cooperation, and fosters public ownership and enthusiasm. The 2015 CEDS brought together over 250 diverse stakeholders, public and private, to hash out the keys to economic improvement in this four-county New Mexico region.

The US Economic Development Administration (EDA) requires a CEDS from each designated Economic Development District Organization, of which the Mid-Region Council of Governments has been one since the 1970s. The EDA looks to a region's CEDS when deciding on strategic investments, and to identify local private sector partners. The MRCOG uses the CEDS process to identify strategic issues and problems that can be addressed with appropriate technical support and resources.



YEAR	RECIPIENT	EDA ASSISTANCE	PROJECT
2010	Santo Domingo Pueblo	\$1,000,000	Revitalization of the Domingo Trading Post
2011	National Dance Institute of New Mexico & Bernalillo County	\$1,500,000	Hiland Theatre
2011	NM Community Capital	\$750,000	Entrepreneurial Training to Tribal Communities
2012	Keshet	\$1,000,000	Keshet Ideas and Innovation Center
2013	UNM / STC	\$1,500,000	Innovate ABQ
2014	Santo Domingo Pueblo	\$500,000	Finalize the Domingo Trading Post
2014	ACCION	\$270,000	Presto Loan Program

### BACKGROUND

Nine local venture firms are part of the New Mexico Venture Capital Association which, in addition to the New Mexico Angels, provides equity investments to local startup companies.

- Cottonwood Technology Fund
- Epic Ventures
- Flywheel Ventures
- International Venture Fund
- Mesa Capital Partners
- NM Community Capital
- Sun Mountain Capital
- The Verge Fund
- vSpring Capital

After many years of little to no economic growth, SPDD 3 sought resiliency in its approach to job creation by cultivating entrepreneurship from within. Beginning in 2013 and building in 2014, the region saw a large focus on startups, recruiting talent and nurturing entrepreneurship. This effort went hand and hand with recruiting seed funding and other investment capital, as well as licensing technology and research from the University of New Mexico and Sandia National Laboratories. STC.UNM and the Technology Ventures Corp were front and center in these efforts. The 2014 Deal Stream Summit, held by TVC, saw several firms receive venture funds. Two firms also got a first-ever co-investment from the UNM Foundation. And, a new startup accelerator, ABQid, launched 12 firms, providing each with a \$20,000 investment—funded primarily by \$1.8 million from the City of Albuquerque.

The biggest illustration of multiple actors supporting entrepreneurship and startup companies was the Innovate ABQ project. That project, to create an innovation and research district in close proximity to downtown Albuquerque was supported by an EDA grant to the University of New Mexico, with contributions from the City of Albuquerque, Bernalillo County, and the New Mexico Educators Federal Credit Union. The investment from the Credit Union was the tipping point for a Living Cities grant awarded to the Albuquerque region to accelerate job creation and economic mobility through innovation and entrepreneurship.



However, all of this activity to nurture small business startups requires access to capital. The state's annual venture investments are 65% lower than they were in 2008 or \$42 million in 2013 vs. a prerecession high of \$120 million. To make matters worse, from 2008-2012, the State Investment Council, an advisory board for the State's Permanent Fund, ceased payments to its equity investment fund. This hurt the small business community and halted the momentum of the VC community. While small sources of seed funding is available now through the NM Angels, the UNM Fund, and the ABQid accelerator, the follow-on investments to help propel businesses to the next round of funding are still scarce.

While many other economic development efforts were afoot in the last five years, including being a finalist for Tesla's Gigafactory, and other projects in the areas of health industries, science and technology, tourism, aviation and film/arts, the resilience of the region is stronger with a focus on nurturing talent, education, and entrepreneurship so that prosperity can be achieved in any and all of the areas of focus. Recruitment and expansion of key industries continues, and will be supported with a \$10 million job creation fund in the City and a \$50 million fund available state-wide. These new sources of funding for recruitment and expansion efforts shows a willingness of the region to shift priorities towards economic development and job creation. And, increased success with homegrown startups may lead to more state investments and venture capital from outside the state.



# SWOT Analysis

The MRCOG gathered extensive information from the community on the regional strengths, weaknesses, opportunities and threats. The full listing of these are on the following page. Like many communities across the country, the decline in the housing and construction industry hit hard in the early part of 2009 and has continued to be stagnant, causing a late entry into the recession and a late exit. High numbers of unemployed individuals put strains on public resources, including new training programs. Declines in Federal resources further strained the economic base that the region has relied on for the last several decades.

In summary, the regional strengths include the excellent quality of life, low cost of living, access to outdoor activities and natural resources--mountains, *bosque*, and river. It also included strong sentiments about the openness and accessibility of people in the region, population diversity, creativity of the community, and ability to be a big fish in a little pond. These attributes point to a community willing to help small businesses and families.

Weaknesses were those typically found in a resource-poor state, including lack of investment capital, inability to finance projects, lack of class A office space, or facilities with modern and upscale features. Other weaknesses included high crime

and poor education, an onerous tax and regulatory environment, as well as a concern over labor unions and New Mexico not being a Right to Work state.

Opportunities pointed to our proximity to Sandia National Laboratories, a new focus on entrepreneurship, new infrastructure investments, and opportunities in the health and social services field.

The biggest threat continues to be the reliance of the region and state on the declining government sector as its economic foundation.

The take-away message from the SWOT analysis is that the region has many assets, including an exceedingly high measure of intellectual capacity. While the tax structure of the state has made industry diversification difficult, recent changes, such as an end to pyramiding, and a phase out of the single weighted sales factor for corporations, has led to new interest by expanding companies. The region's latest emphasis on growing (and keeping) our own companies has garnered local support, has prompted new partnerships between the National Laboratories, the research institutions and multiple public and private entities, and can be applied to multiple industry clusters making the region more resilient to ups and downs in key industry sectors.









### **STRENGTHS**

- Ouality of life
- Access to people/leaders
- Culture/food/diversity
- Strong science community
- Mountains
- Land
- Low tax rates
- Creative people
- Workforce training programs
- Connections with research institutions and national labs
- Business resources (incubators, accelerators, boot camps)

### **WEAKNESSES**

- · Shortage of capital
- · Underperforming schools
- · Lack of headquarter companies
- Glut of B and C office space
- Negative media
- Crime
- Inadequate workforce preparation in key growth industries
- Small private sector
- Thin leadership corps
- Lack of funds committed to marketing the region

### **OPPORTUNITIES**



- No threat of catastrophic events (earthquakes, tornadoes, etc.)
- Film/arts
- Innovate ABQ/innovation district
- Local food
- Health services
- Research/technology commercialization
- Talent
- Emerging downtown
- Inland rail hub
- · Optics/photonics
- Economic redevelopment/Focus 2030

### **THREATS**

- Reliance on federal government
- Negative attitudes
- NM gross receipts taxes
- Lack of mid-level/manager level labor force
- Federal government contraction/ sequestration
- Continuing drought
- Lack of venture capital
- Disconnect between local efforts and state legislature
- Loss of manufacturing
- No new economic base jobs means no new investment money





#### I. GOAL

The goal of the CEDS, like the Living Cities initiative, Ingenuity Central, and the Interim Legislative Jobs Council, is to accelerate job creation and economic mobility through innovation and entrepreneurship to help the region reach its full potential as a place where ingenuity thrives. To create a destination for forward-thinking companies and individuals, who will establish and grow successful businesses and provide well-paying jobs and careers in high-growth industries and business sectors. To replace a government-heavy economy with one that provides more opportunity and employment in the private sector.

#### II. METHODOLOGY

Two key efforts to help inform this CEDS were the Interim New Mexico Legislative Jobs Council work (see Appendix 2); and the work to brand the region as Ingenuity Central, Albuquerque Regional Innovation Hub (see Appendix 3). Other information came from a Living Cities grant to the City of Albuquerque that will affect the region; a region-wide economic development survey; and several meetings held by the Albuquerque Business First newspaper called "Reinventing our City" (see summary in Appendix 4<sup>1</sup>).

#### **III. ACTION PLAN**

The 2015 CEDS Strategic Action Plan has two parts and one central theme. The first is a general economic development framework; the second is a drill down into ten key focus areas; and the central theme is *Entrepreneurship*.

While many initiatives are underway to spur the economy in the MRCOG Region, the one constant is encouraging entrepreneurship. The region has seen an explosion of accelerators, boot camps and incubators to help foster start-up businesses in every field. The framework for action, therefore, includes a general focus on entrepreneurship; an overlay of economic activities that create the environment for growth, such as building infrastructure and expanding workforce capacity; and traditional economic development activities, such as recruitment, retention and expansion.

The second part of the Action Plan includes a drill down of focused activities to support and grow key industry areas that have the most traction in our region (see details below).

<sup>&</sup>lt;sup>1</sup> For all appendices go to www.mrcog-nm.gov.



# PART 1: General Economic Development Framework

#### **Encourage Entrepreneurship**

- Invest in and support Innovate ABQ, State and local funds for business investment.
- Market Ingenuity Central.
- Increase the number of technical assistance providers to retain and expand local businesses.
- Create mid-level equity fund for emerging companies (\$1M to \$4M revolving every 5 years. This could come from the State Investment Council's Equity Investment Fund).
- Increase funding for economic development marketing to bring awareness of the Albuquerque Metro region.
- Increase broadband fiber optics throughout the region and affordable access to it.
- Facilitate access to capital at different levels (Main Street, microenterprise, innovation-led, second stage, etc.)
- Create a climate for entrepreneurs and forward-thinking businesses that encourages, supports and nurtures breakthrough ideas, technologies and gamechanging concepts that few places can offer.
- Recruit and retain millennial talent to our region.
- Assure a hip and cool place with amenities conducive to cultivating entrepreneurship.
- Market the region to interested companies, talent through Ingenuity Central.
- Support entrepreneurial development, such as boot camps, ABQid, One Million Cups, Deep Dive Coders, Creative Startups, Keshet, C3, etc.

- Support business incubation programs, such as WESST, Mixing Bowl, Keshet, Biosciences Center, Fat Pipe, Innovate ABQ and ABQid.
- Increase awareness of lending capital by facilitating access to micro lenders, Accion, WESST, NM Loan Fund, La Montanita Coop's LAM fund, etc.
- Support maker spaces that allow entrepreneurs to develop prototypes, interact with practitioners, etc.
- Improve access to the State Permanent Fund for business investment.
- Support the Implementation Phase of Albuquerque's Living Cities initiative.



#### **Recruit Companies, Talent, Millennials**

- Encourage more non-stop flights to ABQ.
- Support more Millennial appropriate housing.
- Continue to provide incentives to companies for relocating and expanding, such as JTIP.
- Increase recruitment efforts.
- Support more funds for LEDA/state and local closing fund.
- Increase funding for economic development marketing to bring awareness of the Albuquerque Metro region.
- Market the region as a place where entrepreneurship is revered. Where ideas are nurtured, talent is appreciated, and entrepreneurs can get assistance from start-up, to prototyping, to beta testing, to company development, to investment and beyond.
- Recruit and retain millennial talent to our region.
- Assure a hip and cool place with amenities conducive to cultivating entrepreneurship.
- Promote the "Innovation" activities in the region (Innovate ABQ, Ingenuity Central, etc.).
- Promote the region to baby boomers looking for a second career.
- Develop a program to recruit college-alumni back to New Mexico.

#### Improve Education, Support Workforce Development

- Support pipeline programs connecting employers with skilled workforce—i.e., Health Leadership High, ACE High School, charter schools, magnet schools, etc.
- Support Work Keys and workforce development programs.
- Support the Job Training Incentive Program (JTIP).
- Increase efforts to improve graduation rates.
- Have growth rate of workforce to total population equal US rates.
- Align workforce training/development to meet the needs of employers in the STEM fields.
- Replicate the Albuquerque Convention and Visitors Bureau's training program for front line staff in the visitor driven economy.

#### Improve Infrastructure, Attractiveness, Adherence to District 2030

- Encourage more non-stop flights to ABQ.
- Invest in strategies that improve public safety, such as community policing.
- Support more class A office development.
- Create a mechanism for private investment (equity) into state/local infrastructure projects.
- Increase broadband fiber optics throughout the region and affordable access to it.
- Develop a commercial air, rail and logistics hub in the Abq Metro area to facilitate international and interstate commerce, assembly and manufacturing.
- Increase public transit system, install Bus Rapid Transit.
- Work with the goals set by the District 2030 organization aiming to reduce energy and water consumption and increase economic development.
- Invest in roads and bridges.
- Support more Millennial appropriate housing.
- Research the possibility of Rail Runner connections from the Abq Sunport to Balloon Fiesta Park and other destinations to facilitate travel to key tourism points as well as create job access for local residents.
- Support active retiree/senior housing.
- Support increased Free Trade Zone activities.
- Support development of an on-line interactive business resource system.

#### Support Local Small Businesses and Those Wishing to Expand and Grow

- Improve incentives for existing businesses wanting to hire more employees, such as JTIP.
- Increase the number of technical assistance providers to retain and expand local businesses.
- Improve access to the State Permanent Fund for business investment.
- Encourage more non-stop flights to ABQ.
- Expand access to capital for startups, micro enterprises, Main Street, innovation-led, and second stage companies.
- Increase awareness of existing business resource providers and programs.



PART II: Specific Strategic Action

Entrepreneurship • Science and Technology Aviation and Aerospace • Information Technology • Manufacturing • Energy Alternative Energy / Environmental Technologies • Hospitality and Tourism Health and Social Services • Film / Arts and Entertainment • Agriculture





**Entrepreneurship**—small business start-ups, technology commercialization, business accelerators and incubators, maker spaces, and equity symposiums, etc. See More



**Science and Technology**—including development of advanced environmental technologies, bio-sciences, micro-systems manufacturing, nano-technology, instruments and control systems, optics and photonics, and emerging technologies. See More



**Aviation and Aerospace**—aviation manufacturing, servicing, components, gliding, control systems, drone technology, etc. See More



**Information Technology**—systems analysis, systems design, programming, manufacture of components used in computers, communication/electronic devices, digital media, and cyber security. See More



**Manufacturing, Assembly and Logistics**—with the proximity to air, freight rail and interstate highway, the region is strategically located to be a site for manufacturing, assembly or transport and distribution of electronics, food, pharmaceuticals, medical devices, environmental technologies, aircraft, etc. See More





**Energy** / **Alternative Energy** / **Environmental Technologies**—such as, increased solar energy, deployment of wind energy, development of biomass, in addition to deployment of electricity through smart grid technology, water purification, desalination, water technology deployment, etc. See More



**Hospitality and Tourism**—Visitor related activity including conventions, cultural tourism, agritourism, ecotourism, adventure tourism, etc. See More



**Health and Social Services**—such as, health care delivery, pharmaceutical research and medical devices, social services, and veterans' services. See More



Film/Arts and Entertainment—including filming, digital media, artisan manufacturing, fine arts, dance and theater arts. See More



**Agriculture**—for example, increasing the number of entrepreneurial farmers, increasing the production and improving sales of local food, food manufacturing. See More



### ENTREPRENEURSHIP

Small business start-ups, solo-workers, technology commercialization, business accelerators and incubators, maker spaces, and equity symposiums, etc.



#### Strategies:

Invest in and support Innovate ABQ, State and local funds for business investment.

Increase the number of technical assistance providers to retain and expand local businesses.

Create mid-level equity fund for emerging companies (\$1M to \$4M revolving every 5 years. This could come from the State Investment Council's Equity Investment Fund).

Increase funding for economic development marketing to bring awareness of the Albuquerque Metro region.

Increase broadband fiber optics throughout the region and affordable access to it.

Facilitate access to capital at different levels (Main Street, microenterprise, innovation-led, second stage, etc.).

Create a climate for entrepreneurs and forward thinking businesses that encourages, supports and nurtures breakthrough ideas, technologies and game-changing concepts that few places can offer.

Recruit and retain millennial talent to our region.

Assure a hip and cool place with amenities conducive to cultivating entrepreneurship.

Market the region to interested companies, talent through Ingenuity Central

Support entrepreneurial development, such as boot camps, ABQid, 1 Million Cups, Deep Dive Coders, Creative Startups, Keshet, C3, etc.

Support business incubation programs, such as WESST, Mixing Bowl, Keshet, Biosciences Center, Fat Pipe, Innovate ABQ.

Increase awareness of lending capital by facilitating access to micro lenders, Accion, WESST, NM Loan Fund, La Montanita Coop's LAM fund, etc.

Support maker spaces that allow entrepreneurs to develop prototypes, interact with practitioners, etc.

#### **Key Partners:**

The Mixing Bowl, Keshet, Biosciences Center, Fat Pipe, Innovate ABQ, Accion, WESST, NM Loan Fun, La Montanita Coop, UNM, CNM, City of Albuquerque, Bernalillo County, City of Rio Rancho, Sandoval County, Creative Startups, Abqid, Keshet Ideas and Innovation Center.

#### Measures:

Number of new start-ups increase year over year.

An increase in the amount of public investment in local companies.

State Investment Council makes at least one investment in a private company each year.

Numbers of participants in local entrepreneurial mindset training increases each year.

Annual participants in 1 Million Cups increases each year.

Number of Start-up weekends and other events to attract entrepreneurs.

At least one public Maker Space by 2019.

Number of successful businesses with revenue growth and/or expansion plans.

### SCIENCE AND TECHNOLOGY



Capture grads in STEM/Creative fields.

Market Ingenuity Central to highlight our creative, entrepreneurial, technology-focused culture.

Recruit STEM talent.

Align workforce training/development to meet the needs of employers in the STEM fields; work with industry trade groups like NM BIO, NM Optics Industry Association, Innovate+Educate, TalentABQ, etc.

Create a region-wide affordable-access broadband fiber optic system whereby private providers open lines, share access and/or new lines are developed, funded and maintained.

Create mid-level equity fund for emerging companies (\$1M to \$4M revolving every 5 years. This could come from the State Investment Council's Equity Investment Fund).

Increase access to the State Permanent Fund for business investment. Increase funding for economic development marketing to bring awareness of the Albuquerque Metro region.

Develop and support a commercial air, rail and logistics hub in the Abq Metro area to facilitate international and interstate commerce, assembly and manufacturing.

Expand and facilitate access to capital for startups, micro enterprises, Main Street, innovation-led, and second stage companies.

Create Centers of Excellence in photonics, water, creative industries.

Increase awareness of lending capital by facilitating access to micro lenders, Accion, WESST, NM Loan Fund, Enchantment Land Certified Development Company, etc.

Increase recruitment efforts of companies in the STEM fields.

Increase existing business development programs.

#### **Key Partners:**

C3, SSTP, STC.UNM, NM Angels, SNL, AFRL, The Bio Science Center, Innovate ABQ, CNM STEMULUS Center, AED, NM Partnership, Industry Trade Groups (i.e., NM Bio, NM Optics Industry Association, etc.), Innovate+Educate, TalentABQ

#### Measures:

Number of new firms that meet the definition of Science and Technology above.

Number of workers trained through JTIP or customized training in STEM fields.

Number of new workers employed in technology companies.

Number of local venture capital firms investing in science and technology companies.

Number of members of Technology associations in the region.

Number of Technology transfer/commercialization successes from UNM or Sandia Nat'l Labs.

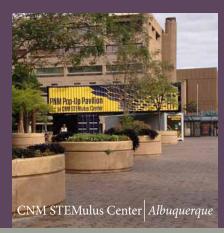
Number of Clicks on IngenuityCentral.org.

Number of earned media stories about technology companies in NM.

Number of Flying Forty or other fast growth companies that are not primarily federal government contractors.



Having two national laboratories as well as the flagship university in the MRCOG region is enough justification to build our economy from science and technology resources. It is even more justifiable when all parties are working together to transfer that talent and research capacity into commercialized technologies and ultimately into viable companies. The region's science and technology resources include development of advanced solar and other environmental technologies, biosciences, micro-systems manufacturing, nano-technology, instruments and control systems, optics and photonics, sensing devices, and other emerging technologies.





## AVIATION AND AEREOSPACE

The Rio Grande and Estancia Valleys have been a magnet for flying, gliding, and ballooning for many years. The clear skies, cool mornings, passion and talent in the community have all contributed to a burgeoning aviation and aerospace cluster in this region. This includes aviation manufacturing, servicing, components, gliding, control systems, drone technology, etc.

#### Strategies:

Capitalize on the rail in the region and increase the amount of commercial rail to transport aircraft components.

Develop a logistics hub that brings assembly jobs to the region and makes the Abq metro area, with its access to rail, highway, and air transport, an inland port.

Support a commercial air, rail and logistics hub in the Abq Metro area to facilitate assembly, manufacturing and transport of aviation-related components.

Increase recruitment of aviation related companies

Support the Aviation Center of Excellence and other aviation-cluster focused business centers.

Support non-stop flights to Abq from other major cities.

Increase collaboration on aviation and aerospace technology with Sandia National Laboratory, the University of New Mexico and the Air Force Research Lab.

Continue to make improvements to the Double Eagle II Airport.

Continue to support the growth and diversification of the aviation/aerospace cluster.

Continue to support airport improvements in rural areas.

Promote use of the FTZ and sub zones in the four county area, including a possible Alternative Site Framework.

#### Partners:

City of Albuquerque and City of Abq Aviation; City of Moriarty Airport; Belen Airport, the University of New Mexico, Central New Mexico Community College, Sandia National Labs, Air Force Research Labs; Estancia Valley Economic Development Association.

#### Measures:

An increase in the number of non-stop flights from major cities.

Development of a public and private transportation and logistics facility.

Development of a Center of Excellence for the aviation cluster.

## INFORMATION TECHNOLOGY



#### Strategies:

Support programs such as Tech Hire, Innovate+Educate, TalentABQ.

Create a region-wide affordable broadband fiber optic system whereby private providers open lines, share access and/or new lines are developed, funded and maintained

Capture grads in STEM/Creative fields.

Market Ingenuity Central to highlight our creative, entrepreneurial, technology-focused culture.

Increase efforts to recruit talent in the IT fields.

Align workforce training/development to meet the needs of employers in the IT fields

Create mid-level equity fund for emerging IT companies (\$1M to \$4M revolving every 5 years. This could come from the State Investment Council's Equity Investment Fund).

Increase access to the State Permanent Fund for business investment

Increase funding for economic development marketing to bring awareness of the Albuquerque Metro region.

Expand CNM's Deep Dive Coding programs.

Support activities that promote IT talent development, such as hackathons, game jams, coding camps, etc.

Expand and facilitate access to capital for a variety of levels of IT company development.

#### **Key Partners:**

Innovate+Educate, TalentABQ, NM Tech Council

#### Measures:

An increase in the number of new firms that meet the definition of Information Technology above.

An increase in the number of community-based IT events, such as hackathons, coding camps, etc.

An increase in the number of new workers with IT-related skills—i.e., computer science, etc.

An increase in the number of new workers employed in IT companies.

Amount of leveraged private sector investment in IT firms.

An increase in the number of members of Technology associations in the region.

An increase in the number of technology transfer/commercialization successes from UNM or Sandia Nat'l Labs.

The field of Information Technology is hot and changing rapidly. The region is responding to changing industry needs by focusing on growing talent and infrastructure to address issues like cybersecurity and digital media and electronic medical records. The region is focusing on systems analysis, systems design, programming, manufacture of components used in computers, communication/electronic devices, cyber security, digital media, and gaming.



## MANUFACTURING, ASSEMBLY AND LOGISTICS

With the proximity to air, freight, rail and interstate highway, the region is strategically located to be a site for manufacturing, assembly or transport of electronics, food, agriculture, pharmaceuticals, aircraft and energy components, medical devices, environmental technologies, and resources for the oil and gas industry, in addition to any other good needing processing and distribution.

#### Strategies:

Develop a logistics hub that brings assembly jobs to the region and makes the Albuquerque metro area, with its access to rail, highway, and air transport, an inland port.

Capitalize on the rail infrastructure in the region and increase commercial rail-related economic activity.

Support pipeline programs connecting employers with skilled workforce, such as ACE High School, CNM, etc.

Increase recruitment efforts of manufacturing businesses to relocate to this region.

Continue to support a robust closing fund or Local Economic Development Act program.

Support expanded programs for existing business development.

#### Key Partners:

Albuquerque Economic Development, Sandoval Economic Alliance, Estancia Valley Economic Development Association, New Mexico Partnership, Manufacturing Extension Partnership; Workforce Connection of Central New Mexico; ACE Charter High School, Central New Mexico Community College, ABC Trade Alliance, COA Econ Development and Aviation Depts, Belen Economic Development, BNSF, Valencia County Economic Development, Public Service Company of New Mexico.

#### Measures:

An increase in the number of new or expanded manufacturing companies to the total number of manufacturers.

A public and/or private transportation and logistics hub or facility for assembly and transport of goods.

An increased number of direct and non-stop flights to and from major cities.

An increase in the number of manufacturers awarded ITIP

An increase in the amount of JTIP money.

An increase in the number of employees based on increases in JTIP.

An increase in the number of manufacturing employees.

An increase in the number of bonded warehouses and customs brokers.



### ENERGY / ALTERNATIVE ENERGY

#### Strategies:

Support a commercial air, rail and logistics hub in the Albuquerque Metro area to facilitate assembly, manufacturing and interstate commerce of energy system components and environmental technologies.

Increase awareness of lending/equity capital by facilitating access to micro lenders, State Investment Council funds, and private equity firms.

Help the existing solar installation industry transition to a non-tax credit based system of installing rooftop solar, which will occur in 2016.

Support the use of solar energy in powering schools and municipal facilities in the region, especially in 2017 when tax credits have ended.

Support the use of third party finance models to enable the use of environmental technologies to power schools and municipal facilities.

Support the region as a center of excellence for water technologies, desalination and efficiency.

Support the export of wind energy and its transmission.

**Partners:** Public Service Co. of NM, Sandia National Labs, UNM Facilities, UNM Engineering, Albuquerque Sunport, APS, Rio Rancho Public Schools, NM Solar Energy Association, Renewable Energy Industries Association, Estancia Valley Economic Development Association

#### Measures:

Increase in the number of new energy/environmental technology companies.

Increase in the number of solar/wind projects coming on-line.

Increase the number of environmental technologies deployed in the region.



With technology resources from Sandia National Labs and the University and research institutions, the region is well poised to expand its development of alternative energy. 300 days of sunshine, abundant high planes wind, and a renewable portfolio standard that sets targets for alternative energy sources all help to spur interest in this area. New developments in solar, wind, and biomass are occurring in our region, including developments in energy transmission. There is an opportunity for the region to be a hub for energy technology, assembly and distribution and manufacturing of central components, and deployment of smart grid technology. The region is also poised to be in the forefront of environmental technologies, such as water purification, desalination, and water technology deployment.



### HOSPITALITY AND TOURISM

Visitor-related activity is very important to the regional economy. In 2014, 32.7 million people visited the state, a tourism record, and nearly 42% of those visitors came to the Albuquerque metro region (hundreds of thousands of whom came during the Albuquerque International Balloon Fiesta alone). Visitor driven economic development includes conventions, cultural tourism, agritourism, ecotourism, and adventure tourism.

#### Strategies:

Increase in-state pride so that every resident is an ambassador for visitors.

Provide a training program for front line staff in the visitor driven economy to improve the rate of repeat visitors.

Identify and target industry-specific conventions with local economic leaders to bring the right decision makers to Albuquerque.

Increase funding to target-market key meetings, conventions and events so the region can attract the very prospects that our local economic development agencies target. These events create valuable exposure and create direct opportunities for economic development agencies to connect with decision makers.

Continue efforts to improve Downtown Albuquerque's vibrancy due to its importance in the convention and tourism industry.

Increase marketing to draw attention to the technology/creative culture in this region.

Put Rail Runner spurs at the Airport, Balloon Fiesta and the Spaceport. This will facilitate travel to key tourism points as well as create job access for local residents.

Support pipeline programs connecting employers with skilled workforce—i.e., ACE High School, etc.

Create a cultural corridor from Belen to Bernalillo and beyond by capitalizing on the NM Rail Runner Express and other cultural assets along the route. Create destination routes for culture, creative arts and agritourism and

improve on the experiential tourism offerings

Work with Albuquerque Sunport to ensure airlift is maintained and work to increase capacity and connectivity.

Improve transportation throughout the region for convention delegates and visitors

Improve visitor signage and readiness throughout the region.

#### Partners:

Albuquerque Convention and Visitors Bureau, Regional Mainstreet organizations, New Mexico Rail Runner Express

#### Measures:

Number of direct jobs in hospitality (accommodation and food service).

Amount of direct and indirect revenue resulting from visitor-related activities.

Number of workers trained in hospitality.

Number of new businesses in the visitor economy.

Number of hotel stays.

Number of cultural events.

Number of new visitor-related infrastructure (i.e., signage)

### HEALTH AND SOCIAL SERVICES



#### Strategies:

Prioritize fiber throughout the region and access to it to facilitate provider offices in rural regions.

Support pipeline programs connecting employers with skilled workforce through programs at Health Leadership Charter High School and UNM Health Science Center's HEALTH NM pipeline programs for minority and at-risk students.

Expand provider training programs, especially nursing programs, at Central New Mexico Community College and the University of New Mexico.

Make improvements in the quality of education, with particular emphasis on STEM disciplines in New Mexico to produce the skilled workforce that will be needed in all health fields.

Recruit companies that contribute to the provision of health services in the region.

Support the development of clinics and satellite campuses that deliver health services in rural areas.

Support development of the health paraprofessional workforce including maternal infant home visitors and community health workers.

Support innovative models of outcomes-oriented primary care delivery, such as community paramedicine, to create new career pathways for New Mexicans and help extend New Mexico's limited primary care infrastructure.

#### **Key Partners:**

Workforce system and system partners, First Choice Community Health, Presbyterian Medical Services, Central New Mexico Community College, UNM, UNM HSC, Molina Heath Care, economic development organization partners

#### Measures:

Increases in the number of HS graduates entering health careers in New Mexico (year over year). This is super-important, but quite tricky to measure — you have to be able to track and report on individual students through the public school system into higher education and then into career.

Percent of New Mexico high school students scoring proficient or better on the science component of the National Assessment of Educational Progress And/or percentage of New Mexico high school students scoring above the 75th percentile in Science on the ACT

Increases in the number of health care workers in rural communities (health care provider shortage areas).

Two new health facilities (that employ more than 10 workers?) outside the Metro area.

Increases in the number of graduates from the UNM Medical School staying in NM for residency. You might also consider the number of UNM med school graduates who are practicing in New Mexico 5 years post-graduation.

Integration of health care delivery with other social services, such as cooking/ nutrition classes, child care, etc. Maybe you could measure the number of new parents receiving home visiting services?

Curricula for workforce training programs in health fields established and deployed.

Amount of direct and indirect spend from satellite medical offices (or any healthcare facilities?) in rural communities.

Implementation of pay-for-success financing for one or more high-impact social program in New Mexico.

The health care delivery and social services sector is a large part of the economy in this region. It is the fastest growing employment sector in New Mexico and yet most counties in the state are considered health care provider shortage areas. Demand for health care increases every day as new as New Mexico's aging population grows, and as newly insured individuals seek services. This demand puts a strain on existing resources and highlights a need for improved workforce training. It also provides opportunities, especially in underserved rural areas, to capitalize on a trend to decentralize the deployment of health services through full service clinics, individual provider practices, and community paramedicine.



## FILM / ARTS AND ENTERTAINMENT

The area is rich in cultural and artistic enterprises including filming, digital media, artisan manufacturing, fine arts, culinary arts, fashion, music, toys and games, dance and theater arts. This sector also includes the creative industries which are companies in any of the fields above.

#### Strategies:

Increase funding for economic development marketing to bring awareness of the Albuquerque Metro region.

Support pipeline programs connecting employers with skilled workforce—i.e., health leadership high, ACE High School, Central New Mexico Community College, etc.

Continue film incentives that give filming in New Mexico a competitive edge over other states.

Support digital media and other spin-off endeavors that support the film industry.

Support performing Arts and arts-based incubators.

Increase awareness of lending capital by facilitating access to micro lenders, Accion, WESST, NM Loan Fund, La Montanita Coop's LAM fund, etc.

Support convenings between artisans, engineers and business students and professionals to encourage creative start-ups.

#### **Key Partners:**

Abq Film Office, Popejoy Performing arts, UNM School of Fine Arts, Keshet Ideas and Innovation Center, Creative Startups, InnovateABQ . . .

#### Measures:

An increase in the number of film projects in the region.

An increase in the number of businesses graduating from performing arts or creative industry incubators.

An increase in the baseline economic return from the arts (film, digital media, performing arts, etc).



## LOCAL FOOD AND AGRICULTURE



#### Strategies:

Facilitate connections between farmers/local food producers and restaurants, food trucks and grocery stores.

Recruit and retain millennial talent to our region to produce and consume local food.

Support LandLink, connecting farmers to land and resources.

Cultivate a culture of entrepreneurship.

Increase awareness of lending capital by facilitating access to micro lenders, Accion, WESST, NM Loan Fun, La Montanita Coop's LAM fund, etc.

Support farm apprenticeships on public lands.

Increase number and access to commercial kitchens for food preparation and value–added company development.

#### **Key Partners:**

NMSU's Cooperative Extension, Edible Santa Fe, Delicious New Mexico, Bernalillo County, NM Food and Agriculture Policy Council, NM Farmers' Marketing Association, NM Restaurant Association; Agricultura Network, Village of Los Lunas, Estancia Valley Economic Development Association.

#### Measures:

At least two new connections via LandLink per year.

An increase in the number of local food-based companies.

An increase in the number of restaurants, food trucks sourcing from local farmers.

Agriculture production underway on public lands.





Small scale agriculture in the Rio Grande Valley and Sandia Mountain Communities and medium to large scale in High Plains Torrance and Sandoval County is a traditional practice that is regaining in strength and developing into a strong part of the local economy. As demand for local food increases, opportunities to develop new agriculture and food ventures open up, and avenues for market connections becomes key. Increasing the local food and agriculture sector requires new entrepreneurial farmers and local food producers, and sales venues, such as stores, restaurants, food trucks and farmers' markets.

## RESILIENCY

Nothing says resiliency like the entrepreneurial mindset. And a land-locked region like central New Mexico breeds entrepreneurs who are self-reliant, can pivot and swerve with changing climates, and are accustomed to boot-strapping. The excitement around Entrepreneurship in the MRCOG region in the last few years has been palpable. The support and focus has clearly touched a nerve as the community has responded by developing numerous start-up accelerator programs for people with ideas in the creative industries to high technology.

No matter the industry cluster, without infrastructure, access to capital, and business resources, local economies will not flourish. The MRCOG region, which has been reliant on Federal government resources for many years (New Mexico was the most Federal government dependent state in 2015 according to WalletHub and has the highest number of federal employees per capita), is overdue in remembering its pioneering spirit, its hard-working small business men and women, and can-do attitude.

Entrepreneurship is not just a buzz word, it's a way of life and a way forward in the new economy. SPDD 3 is showing its resiliency by embracing entrepreneurship.



SPECIAL Thanks to:

Deirdre Firth, City of Albuquerque Economic Development

Jim Hinde, City of Albuquerque Aviation Department

Stuart Rose, The Biosciences Center and Fat Pipe

Mark Gaiser, New Mexico Energy Minerals and Natural Resources Department

Danielle Duran, Public Service Company of New Mexico

Rebecca Latham, Cabinet Secretary, New Mexico Department of Tourism

Jen Schroer, New Mexico Hospitality

Ann Lerner, City of Albuquerque Film Office

Jerilynn Sans, Administrator Workforce Connection of Central New Mexico

Kelly O'Donnell, O'Donnell Economics and Strategy

Jim Glover, The Idea Group

Steve Wedeen, Vaughn Wedeen, LLC

Interim Legislative Jobs Council

**Ingenuity Central** 

Metro NM Development Alliance

